

HOUSE BILL 3070  
By Kerr

AN ACT to amend Tennessee Code Annotated, Title 5; Title 6; Title 7 and Title 9, relative to the consolidation of county utility services.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. This act shall be known and may be cited as the "Consolidation of County Utility Services Act of 1998".

SECTION 2. As used in this act, unless the context otherwise requires:

- (1) "Charter commission" means the commission to draft a charter for the consolidation and operation of utility services within a county as provided in this act.
- (2) "Consolidated utility services authority" means the authority created by the consolidation of utility services for a county, pursuant to the provisions of this act.
- (3) "Utility services" means electric power, natural gas, sanitary sewer and water as provided by municipal government, county government, electric cooperative, and utility district.

SECTION 3.

- (a) The county commission may, by resolution approved by two-thirds of its membership, and in conjunction with similar resolutions approved by the governing bodies of any municipality owning and operating a utility as defined in Section 2 of this act, the board of directors of any electric cooperative or of any utility district located in whole or in part in the county,

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appoint a charter commission to draft a charter for the consolidation and operation of all or some of the utilities furnishing utility services within the county.

- (b) The commission members shall be appointed from each jurisdiction involved in proportion to the percentage population of each jurisdiction in relation to the total county population. The smallest jurisdiction shall be represented by at least one charter commissioner and the total number of commissioners shall be sufficient to permit proportional representation of all jurisdictions.

#### SECTION 4.

- (a) The charter commission shall hold an organizational meeting at such date and place, as the county charter commission resolution shall establish.
- (b) The charter commission shall be authorized to elect a chair, a secretary and such other officers, as it may deem necessary.
- (c) The charter commission shall be authorized to employ such staff as may be required to assist it in drafting a charter for combined county utility service which shall be proposed for adoption by referendum.
- (d) Members of the charter commission shall not receive per diem or other compensation for their services, except reimbursement of actual expenses by members.
- (e) The staff employed by the commission shall be paid compensation as determined by the charter commission within the limits of funds available to it under the provisions of this act.
- (f) Vacancies in the office of charter commission shall be filled by the county legislative body in accordance with the conditions of the original appointment requirements.

#### SECTION 5.

(a) Whenever any charter commission shall be established as herein provided, it shall be the duty of the governing body of the county to appropriate sufficient funds to defray the expenses of the commission. Such funds shall be disbursed by the county executive or other fiscal officer of the county upon vouchers or warrants signed by the chair and the secretary of the commission.

(b) All public officials shall, upon request, furnish the commission with all information and assistance necessary or appropriate for its work.

SECTION 6. Any charter commission established pursuant to this act shall prepare and file the charter proposed by it not later than nine (9) months after the date of its initial meeting, or within such extended limit of time as may be authorized by resolution of the governing bodies of the county and each other jurisdiction involved. Copies of such proposed charter shall be filed with the county clerk, with the city clerk of each incorporated municipality owning and operating a utility, and with the appropriate officer of any other jurisdiction involved in the proposed utility service consolidation, and with the county election commission. Such copies shall be public records, available for inspection or examination by any interested person. The charter commission shall also furnish or make available to every daily or weekly newspaper published in the county a complete copy of the charter. The charter commission shall take such other steps within the limitation of its available funds as it deems reasonable and appropriate to inform the public throughout the county of the contents of the charter, and the same may be published or summarized in pamphlets and booklets to be made available for general distribution.

#### SECTION 7.

(a) After a copy of the proposed charter has been certified to the county election commission, as provided in Section 6, it shall be the duty of the county

election commission to hold a special referendum election for ratification or rejection of the proposed charter. The ballot shall be prepared so as to provide a choice for voters between:

For Consolidation of the utility services of \_\_\_\_\_ and  
(Name of County)  
\_\_\_\_\_  
(Names of Municipalities and other Jurisdictions)

Against Consolidation of the utility services of \_\_\_\_\_ and  
(Name of County)  
\_\_\_\_\_  
(Names of Municipalities and other Jurisdictions)

- (b) The special referendum election shall be held on a date fixed by the county election commission not less than eighty (80) days nor more than one hundred (100) days subsequent to the filing of the charter as provided in Section 6. Notice of the referendum shall be given as required in other elections on questions submitted to the vote of the people. The date of the election and the form of the ballot shall be uniform throughout the entire county, but the election commission shall canvass the returns and certify the results as if separate elections were being held in each incorporated municipality and in the areas of the county outside municipal boundaries. For the purpose of determining whether the proposed charter has been accepted or rejected, the county election commission shall canvass the returns and certify the results:

- (1) For each incorporated city owning and operating a utility; and
- (2) For the entire area of the county outside incorporated municipal boundaries of municipalities owning and operating a utility.

- (c) The proposed charter shall be deemed ratified and adopted if the same be approved by a majority of those voting within each incorporated municipality owning and operating and also by a majority of those voting in the area of the

county outside the municipal boundary of any municipality owning and operating a utility.

- (d) The proposed charter shall be deemed rejected and shall not become effective if the same be disapproved by a majority of those voting within each incorporated municipality owning and operating a utility. The proposed charter shall also be deemed rejected and shall not become effective if it is disapproved by a majority of those voting in the area of the county outside the municipal boundary of any municipality owning and operating a utility.
- (e) The returns of the referendum shall be certified by the county election commission to the county governing body, together with a copy of the charter previously filed. Thereupon the county executive shall issue a proclamation showing the result of the election on adoption or rejection of the proposed charter, one (1) copy of which proclamation shall be attached to the copy of the charter certified to the county governing body, and one (1) copy each to the appropriate municipal official of each participating incorporated municipality owning and operating a utility.

#### SECTION 8.

- (a) The proposed charter shall provide:
  - (1) For the creation of a consolidated utility authority vested with the power to conduct, operate and maintain a system or systems for furnishing water, sewer sewage disposal, natural gas, natural gas storage and related facilities, liquid propane gas storage and related facilities and other gaseous storage and related facilities, artificial gas, electric power distribution, street lighting, transmission of natural gas by pipeline from one (1) or more wells or sources of natural gas or from one (1) or more collection points of natural gas located within or without the district, but in

no event more than five (5) miles beyond the boundaries of the county to one (1) or more utilities, industries or plants located within or without the county, but in no event more than one hundred (100) miles beyond the boundaries of the county.

(2) That the territory embraced by the consolidated utility authority shall be the whole territory of the county.

(3) That the name of the combined utility service authority, which may be:

(A) The name of the county followed by the words consolidated utility authority; or

(B) Such other name as the charter commission shall deem historically and geographically important.

SECTION 9. Upon the approval of the consolidation of the utility services in the referendum, the entity shall be known as the “\_\_\_\_\_ County Consolidated Utility Services Authority”, unless the charter shall otherwise designate.

SECTION 10. This act shall take effect on July 1, 1998, the public welfare requiring it.